

Each year, American families need to budget their income and expenses to ensure that they can meet their needs and invest in the future. The federal government has a similar responsibility to the nation. We must fund programs that will provide opportunities to American citizens, strengthen the economy, and ensure that all Americans can live with dignity and the promise of improving their lot in life. The President and Congress have been entrusted by the country with a great responsibility.

## **The President's Budget**

On Monday of this week, President Bush submitted his Fiscal Year 2008 budget request to Congress. I have been studying his budget over the last few days. As a new member of the Appropriations Committee, I will have a critical role in ensuring that government funding is focused on the right priorities.

The President's budget request continues the same policies that helped create the financial mess now facing the federal government. It is fiscally reckless, adding trillions to the deficit over the next 10 years, and morally irresponsible, slashing funding for key priorities, such as health care and education, that are critical to America's middle class.

The federal government has a responsibility to spend taxpayer dollars in a wise manner, and our nation's budget should reflect the values of our country. As the Democratic majority in the House works to create a budget resolution and to appropriate funds for federal agencies, we will fight for a budget that will deliver results to the American people and will be fiscally responsible, to avoid passing extensive debt to our children and future generations.

## **Balanced Budget**

The President claims that his budget request would balance the budget by 2012. Balancing the budget is a commendable goal, and one that I support. But in studying the budget request, I have determined that it will never reach balance based on realistic assumptions. It relies on omissions and optimistic assumptions of increased revenue that understate the size of the fiscal problems it creates, and it cuts vital services and investments for working families and children

to pay for tax cuts that heavily benefit those who least need the help. The Budget Committee has noted, for instance, that:

“To help pay for nearly \$2 trillion in tax cuts over the next ten years, the budget cuts Medicare by \$252 billion over ten years without reinvesting those savings in Medicare or other health program improvements, and imposes net legislative cuts of \$28 billion over ten years to Medicaid. Meanwhile, appropriated funding for the Department of Education is cut by \$1.5 billion below the 2007 level, the budget for the Environmental Protection Agency is cut by \$509 million, and the budget imposes \$4.9 billion over ten years in new fees on veterans.”

I can not support extending the President’s tax cuts for the wealthiest among us while cutting programs for those living in poverty and destitution. The income gap between the rich and the poor has increased to unacceptable levels over his tenure, and I can not condone continuing this trend.

## **AMT**

One of the fictions in the President’s budget is that it fails to reflect realistic costs of the Alternative Minimum Tax (AMT). More and more middle class Americans are getting hit every year by the AMT, an alternative tax system that was created in 1969 to ensure that 155 high-income households were unable to pay bargain basement tax rates because they were eligible for an extensive amount of tax deductions. The AMT is not indexed to inflation, however, so more and more middle class families are unfairly impacted by it every year. The President has stated that he would repair the AMT, but this year’s budget again fails to include any costs for more than a one-year band-aid.

## **Iraq**

I am pleased that the Administration has finally begun including the costs of the wars in Iraq and Afghanistan within the budget. Unfortunately, the Bush Administration has failed to include the full costs of its policy in this budget. The nonpartisan Congressional Budget Office estimates that the costs of the Global War on Terrorism could be perhaps as much as \$603 billion over ten years than what is included in the Administration’s budget. While I regret that funds were not

allocated for redeploying our troops out of Iraq, I am glad that after five years the war has finally been incorporated into the normal budgetary process.

## **Planning for the future**

The President's 2008 budget request continues to make choices that are wrong for the future of America. It proposes to pay for tax cuts by cutting funding for Medicare, Medicaid, the Department of Education, and the Environmental Protection Agency, among other agencies, and it would impose new fees on veterans. President Bush and his Republican colleagues have already taken a projected 10 year surplus of \$5.6 trillion and turned it into a \$2.8 trillion deficit, and his latest budget request continues this path of mortgaging the future of our children and grandchildren.

I believe America's budget must reflect the values of America's families, which invest in the future and their children. Instead of tax give-aways to the ultra rich, we must institute programs to ensure that our children are prepared for the challenges of globalization in the 21 st century. The homeless should not be forced to sleep on cold streets because shelters are under-funded. Our values must dictate America's budget.

At the same time, however, we must be realistic about our country's future financial responsibilities. Instead of ignoring future costs as the President would do, we must include realistic financial estimates for things like the AMT in our nation's budget. You can read more about the flaws in the President's budget at the Budget Clearinghouse.

If America's families are expected to follow their budget, should we expect any less from the United States Government?